

LAW OFFICES OF
PELLEGRINI AND EMMERICH
A PROFESSIONAL CORPORATION
SUITE 390
GATEWAY ONE ON THE MALL
701 MARKET STREET
ST. LOUIS, MISSOURI 63101

FRANK L. PELLEGRINI
JULIE A. EMMERICH

EPA Region 5 Records Ctr.



225199

TELEPHONE (314) 241-7445
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March 3, 1999

VIA FACSIMILE (312-686-0747)

Ms. Leslie A. Kirby
Assistant Regional Counsel
U. S. Environmental Protection Agency
Region 5
77 West Jackson Blvd.
Chicago, Illinois 60604-3590

RE: Sauget Area 2 (Site Q) Superfund Site
Cahokia, St. Clair County, Illinois
General Notice of Potential Liability

Dear Leslie:

This responds to your January 29, 1999 General Notice of Potential Liability (Notice) addressed to Eagle Marine Industries, Inc. (Eagle) concerning the Sauget Area 2 Site Q Superfund Site (Site). The Notice includes a December 21, 1998 Action Memorandum. The Action Memorandum primarily addresses two former borrow pits located in the southeastern corner of the southern third of the Site. The Notice states that EPA is planning to conduct several actions at the Site, including but not limited to, the excavation and disposal of between 7,000 and 15,000 cubic yards of soil allegedly containing PCBs and metals, and the removal and disposal of approximately 150 to 200 drums of unknown contents. The Notice informs Eagle of its potential liability and encourages Eagle to agree to reimburse EPA for its response costs and to voluntarily perform or finance response activities. There are several critical issues that EPA must consider concerning Eagle's history at the Site, which establish Eagle's position as an innocent purchase of the Site under §107(b)(3) of CERCLA.

The General Notice Letter Service List identifies Eagle as an "Owner/Operator." The enclosed Affidavit of Richard D. Burke, President of Eagle, was filed in connection with a separate matter concerning Site Q which was previously resolved. The affidavit clearly establishes that Eagle (which includes Eagle's predecessors) was never an operator of Site Q, and

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did not contribute in any way to the disposal of refuse. The Site was purchased solely for access to the Mississippi River for Eagle's barge operations. On April 2, 1973, Eagle (then known as Notre Dame Fleeting and Towing Service, Inc.) purchased the area that includes the borrow pits of concern from Cahokia Trust Properties. As you know, on or about August 4, 1977, the Illinois Pollution Control Board brought an action against Paul Sauget, Sauget & Company, Eagle and River Port Fleeting due to Paul Sauget's and Sauget & Company's failure to cover a portion of the refuse disposal area in Site Q. A copy of the order entered in that matter is attached as Exhibit B to the Affidavit of Richard Burke. Eagle and River Port Fleeting were dismissed from the matter because the Illinois Pollution Control Board determined those entities were not responsible for the conditions. Paul Sauget and Sauget & Company have never denied their responsibility for the conditions existing on Site Q. Sauget and Company eventually agreed to cover the area, but never performed that work. Enclosed is an excerpt from a pre-trial pleading prepared in IEPA's suit against Paul Sauget and Sauget & Company concerning Site Q. The document states at Page 4, "Agency personnel have spoken to Paul Sauget on several instances (pp. 112, 134, 135, 141, 290, 301 and 310). On January 21, 1975, he orally agreed to the need for final cover at the site and indicated his intent to provide it (p. 290). On September 8, 1976, and September 15, 1976, he acknowledged his responsibility for the fire then burning on the site and stated that he would take corrective action (pp. 301-310)."

In our dealings over recent years, the position of representatives for the Sauget entities has been that Sauget and Company no longer exists and neither it nor Paul Sauget has any assets to contribute to any action. Given the magnitude of EPA's proposed action, EPA must address this apparent orphan share. It cannot simply assume that PRPs such as Eagle are able to compensate for Sauget's alleged inability to pay. The fact is that Eagle is unable to pay for EPA's proposed actions. What separates Eagle from Sauget and Company is the fact that Eagle is not liable under CERCLA for EPA's proposed actions.

Another excerpt from the pre-trial filing provides, "The site was totally inundated by flood waters from the Mississippi River in the spring of 1973. That portion of the site south of the Alton and Southern tracks was not operated after the flood." (citation omitted). That portion of the property South of Alton and Southern railroad tracks is precisely the area that is the subject of the Notice. That passage is significant because it establishes that the refuse disposal ceased by the time Eagle acquired the property in Spring of 1973, because the flood occurred prior to purchase. The document further states, "Eagle Marine was probably instrumental in the cessation of the unpermitted operation of this site." (citation omitted). This passage supports Eagle's position that Eagle took reasonable steps to prevent disposal of any materials anywhere on Site Q.

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The following additional factors must also be considered. Eagle has never disposed of any hazardous substances or refuse on the Site, nor has it ever allowed any other party to dispose of hazardous substances or refuse on the Site. Eagle has maintained a productive use of property that would otherwise have been abandoned and not maintained. Prior to the time the Site was purchased, Eagle's representatives visually inspected it, and were informed by the seller, Cahokia Trust Properties, that the Site had been used only for refuse, not chemical, disposal. Eagle had no knowledge, and no reason to suspect, that PCBs, arsenic, cadmium, lead or any of the other hazardous substances listed in the Action Memorandum might possibly have been disposed on the Site. CERCLA was not even enacted until seven years after the Site was acquired, and, thus, the description "hazardous substances" did not even exist. Prospectively purchased property simply was not sampled or investigated the way it is today, and Eagle's actions were the norm. Eagle's actions are evaluated based upon what was reasonable at the time of the purchase in 1973.

Since it purchased the Site, Eagle has engaged in extensive activities to maintain the Site. This includes, but is not limited to, a current project whereby Eagle is covering the thirty-five acre refuse disposal area which Paul Sauget and Sauget & Company were ordered by the Illinois Pollution Control Board to cover, but never did. That project is currently underway, at Eagle's initiative, with the Corps of Engineers, IEPA and IDNR providing oversight. The agencies have granted all necessary permits and Eagle is doing all of the work on a voluntary basis. The project is expected to cost approximately \$300,000.

In addition, Eagle previously placed approximately 2,600 feet of rip rap along the Mississippi River shoreline to prevent erosion. The project cost is in excess of \$200,000. During the twenty-six years of ownership, Eagle has performed numerous other actions to maintain and preserve the Site, and to ensure all refuse disposal ceased once it acquired ownership. This includes, but is not limited to, efforts such as those described in the June 15, 1973 letter from Eagle's attorney to Paul Sauget, attached as Exhibit D to the Affidavit of Richard Burke, ordering Sauget to cease from any further disposal activities. Eagle has also repeatedly granted access to IEPA to perform sampling the agency deemed necessary, and has installed fencing as necessary.

Eagle is an innocent purchaser of the Site under §107(b)(3) and §101(35)(A) of CERCLA and, therefore, immune from liability, for the following reasons:

1. The alleged release or threat of release was caused by the acts of Paul Sauget and/or Sauget & Company, which admitted it needed to provide cover and take care of fires, and

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the generators and transporters who caused the material to come to be located at the Site prior to Eagle's ownership of the Site.

2. Eagle exercised due care with respect to the hazardous substances concerned, taking into consideration the characteristics of such hazardous substances, in light of all relevant facts and circumstances. Eagle also took precautions against foreseeable acts or omissions of Sauget and Company, and the consequences that could foreseeably result from such acts or omissions. Eagle has taken great measures to maintain the Site as described above and has not disturbed the area at issue. Because Eagle has never disturbed the area, Eagle has never observed the hazardous substances EPA claims are in the area.

3. Eagle acquired the Site after the alleged disposal or placement of hazardous substances which are the subject of the alleged release or threatened release disposed of on, in or at the facility. As the attached pre-trial filing indicates, all activities south of the Alton and Southern Railroad ceased prior to Eagle's purchase. Moreover, Eagle did not allow refuse disposal to occur after the sale.

4. At the time Eagle purchased the property in 1973, it did not know, and had no reason to know, that any hazardous substances that are the subject of the alleged release or threatened release were disposed of on, in or at the facility. It was informed by the seller, Cahokia Trust Properties, only that the Site had been used as a refuse disposal area, and had no reason to believe that PCBs, lead, cadmium or other metals or hazardous substances had been disposed.

The "EPA Guidance on Landowner Liability under Section 107(a)(1) of CERCLA, De Minimis Settlements under Section 122(g)(1)(B) of CERCLA, and Settlements With Prospective Purchasers of Contaminated Property," June 1989 (Policy), provides, in pertinent part as follows:

1. "Under Section 122(g)(1) of CERCLA, as amended by SARA, when the Agency determines that a settlement is 'practicable and in the public interest,' it 'shall as promptly as possible reach a final settlement' if the settlement 'involves only a minor portion of the response costs at the facility concerned' and the Agency determines that ... the party (i) is an 'owner of the real property on which the facility is located'; (ii) 'did not conduct or permit the generation, transportation, storage, treatment, or disposal of any hazardous substance at the facility'; and (iii) 'did not contribute to the release or threat of release ... through an act or omission.'" Policy at Page 6.

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2. The owner must not have purchased the property ““with actual or constructive knowledge that the property was used for the generation, transportation, storage, treatment or disposal of any hazardous substance.”” Policy at Page 7.

3. The term “any hazardous substance” means a hazardous substance that is the subject of the release or threat of release, not just any hazardous substance. Policy at Pages 6 and 7, n. 6 and 7.

4. The duty to inquire will be judged as of the time of acquisition, and as public awareness of environmental hazards increases, the burden of inquiry will increase concomitantly. Policy at Page 12, n. 11.

5. “[T]he government will entertain offers for such settlements, in exchange for, at a minimum, access and due care assurances.” Policy at Page 17.

The Policy further recognizes that it is desirable, where possible, for EPA to determine a PRP’s de minimis status early in the process to avoid unnecessary costs and efforts.

Eagle is a small, family-owned company that cannot contribute financially to EPA’s proposed work in any meaningful way. Based upon EPA’s plans for the impending removal action, clean-up costs will likely be several million dollars. The scope of work is defined in such general and indefinite terms that the actual work that is performed could expand significantly over that which EPA currently suggests. Eagle settled the last action with EPA based solely on the economics of the situation. It would have spent far more time and money litigating with EPA than it did in settling the suit for \$25,000. This time, the stakes are much greater, and EPA’s Notice threatens Eagle’s continued operations. EPA is undoubtedly aware that Eagle has made great efforts to maintain and invest in the Site, and to prevent trespassers and the improper use of the Site. That will cease if Eagle cannot continue to operate its business in its current form.

EPA’s proposed actions are quite extensive and will significantly disrupt activities occurring on Site. Besides Eagle, several businesses operate on or near Site Q. The Action Memorandum is extremely vague about the actual scope of work. It is quite possible that the project will be even larger than estimated. Although the proposed project will be very burdensome, and Eagle is willing to assist EPA in any way possible, Eagle must respect the need of its tenants to have full access to the premises. From EPA’s position, liberal access to the site is undoubtedly necessary for performance of all of the work, equipment, staging of materials, and excavation, as examples. EPA well knows that Eagle’s continued viability is critical for future maintenance of the overall Site. Eagle, therefore, proposes to enter into a de minimis landowner

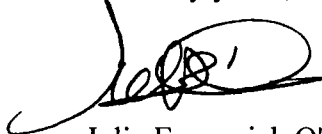
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settlement with EPA, whereby Eagle will provide access to the Site as necessary for the project. Eagle will also consider providing fill material for the project, but cannot commit to that until more is known about the project. Eagle is willing to discuss that possibility with EPA.

On Monday, March 1, we received the Preliminary Ecological Risk Assessment for Sauget Area 2, Site Q, which forms the basis for EPA's proposed action. A cursory review of the document raises serious doubts as to whether an imminent and substantial threat to public health and the environment exists, and whether the proposed action is appropriate. We are in the process of reviewing it and may have additional comments to provide. We will provide any additional comments as soon as possible.

In conclusion, based upon the estimated scope of the proposed action, the action could cost several million dollars. Even assuming, solely for the sake of argument, that Eagle were liable under CERCLA, Eagle could not possibly make any financial contribution of any substantial size. Eagle's position is that it is not liable under CERCLA for any actions or response costs that might be incurred in this project. Notwithstanding that, Eagle is interested in continuing its cooperation with EPA and IEPA concerning the Site, which is why it is extending this proposal to EPA. Please call me to discuss this proposal further.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'Julie O'Keefe', with a stylized flourish extending from the bottom left.

Julie Emmerich O'Keefe

JEO/sb

cc: Paul Takacs
Cahokia Trust Properties
c/o Robert McRoberts, Jr.,
successor trustee

STATE OF MISSOURI)
) SS
CITY OF ST. LOUIS)

AFFIDAVIT OF RICHARD D. BURKE

I, Richard D. Burke, being duly sworn upon my oath, do state and depose as follows:

1. I am President of Eagle Marine Industries, Inc. (Eagle Marine) and have served in that role for 5 years. I am also a shareholder of the stock of Eagle Marine. Eagle Marine is engaged in the business of operating barge fleetings and terminal facilities.

2. I am above the age of 18 years, I have personal knowledge of the facts concerning the activities which are stated herein concerning Eagle Marine and the former Riverport Terminal and Fleeting, Inc. (Riverport), which was merged into Eagle Marine in approximately 1986. I have been informed of facts concerning the past operation of Site Q by Sauget & Company from persons having personal knowledge of those facts, and I am, therefore, competent to testify about them.

3. Since 1969, I have worked for Eagle Marine on a daily basis, although my title has varied. Prior to December 13, 1973, Eagle Marine was known as Notre Dame Fleeting & Towing Service, Inc. (Notre Dame). Notre Dame was incorporated in 1961. All references to Notre Dame or Eagle Marine will be stated as "Eagle Marine" in this affidavit. Riverport Fleeting, Inc. was incorporated on November 17, 1974, and its name was changed to Riverport Terminal & Fleeting, Inc. on October 28, 1977. In 1986, Riverport merged into Eagle Marine.

Prior to the merger, Riverport was also engaged in operating barge fleeting and terminal facilities. I also worked for Riverport during its existence.

4. On or about April 2, 1973, Riverport's predecessor in interest (referred to herein as "Riverport") and Eagle Marine purchased separate portions of the properties that are currently designated by the U. S. Environmental Protection Agency (EPA) and the Illinois Environmental Protection Agency (IEPA) as Sauget, Illinois Area II, Site Q (the Property). Riverport and Eagle Marine purchased the Property from an entity known as The Cahokia Trust. The Property was purchased solely to provide access and frontage to the Mississippi River for barge fleeting and terminal operations. The Property was not purchased for the purpose of owning or operating a landfill.

5. From approximately the Fall of 1959 until the time Riverport and Eagle Marine purchased the Property from The Cahokia Trust, an entity known as Sauget and Company, which is a Delaware corporation owned and operated principally by Paul Sauget and possibly others, operated a landfill on the Property by accepting waste for disposal from customers. Upon information and belief, the State of Illinois issued a permit to Sauget and Company to operate the landfill.

6. Neither Eagle Marine nor Riverport has ever operated the Property as a landfill, or accepted or allowed waste of any kind, whether solid, hazardous or toxic, to be disposed of on the Property.

7. When Riverport and Eagle Marine purchased the Property in 1973, and in negotiations preceding the sale, Paul Sauget and Sauget and Company represented to Fred Leyhe, deceased, the chief negotiator for Riverport and Eagle Marine, that the Property had been

used only as a sanitary disposal area to dispose of materials such as residential waste. Neither Eagle Marine nor Riverport or their directors, shareholders, officers or employees had knowledge that hazardous wastes, toxic wastes or hazardous substances had possibly been disposed of on the Property. Attached as Exhibit A is correspondence from the attorney for Sauget and Company representing that it did not knowingly accept barrels containing toxic, flammable or other hazardous material and that it took reasonable precautions to prevent any such barrels from being deposited without its knowledge. During the time Riverport and Eagle Marine have owned the Property, to the best of my knowledge, no hazardous wastes or hazardous substances, as those terms are defined in the Resource Conservation and Recovery Act of 1976 or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, respectively, have been deposited on the Property.

8. Since the time Riverport and Eagle Marine purchased the Property, Eagle Marine and Riverport have cooperated fully with both EPA and IEPA to maintain the Property in a safe manner and contain the waste materials disposed by Sauget and Company on the Property. Eagle Marine and Riverport have allowed access to EPA and IEPA on several occasions for the purpose of assessing conditions to assure that no hazardous wastes or hazardous substances have been released from the Property. Some of the acts of cooperation are described below.

9. In approximately 1978, IEPA instituted an action for the purpose of securing the commitment of Paul Sauget and Sauget and Company to place a suitable cover at least two feet thick over the entire surface of the former refuse disposal site on the Property. On or about June 24, 1978, a Stipulation, Statement of Facts and Proposal for Settlement (Stipulation) was submitted to the Illinois Pollution Control Board by IEPA, Paul Sauget and Sauget and Company

to resolve the matter. A copy of the Stipulation is attached hereto as Exhibit B. Paul Sauget and Sauget and Company had previously agreed to place such a cover over the Property by October 26, 1973, but did not meet that deadline. The Stipulation stated the cover was required to be in place within 30 months of approval of the Stipulation.

10. Eagle Marine and Riverport were initially named in the IEPA action as owners of the Property, but were dismissed from IEPA's action on the basis that they were innocent purchasers or owners of the Property. Eagle Marine and Riverport were not required to take any action to cover the Property through IEPA's action.

11. Paul Sauget and Sauget and Company did not meet the requirements of the Stipulation. Approximately 35 acres remain left to be covered.

12. Eagle Marine is currently cooperating on a voluntary basis with IEPA to complete the cover, which IEPA required Paul Sauget and Sauget and Company to place on the Property. IEPA has never demanded that Eagle Marine or Riverport undertake this action. Toward that end, in November 1996, I had conversations with Tom Martin of EPA, Paul Takacs of IEPA and Mike Daily of the Regulatory Functions branch of the U. S. Army Corps of Engineers, to learn each agency's requirements concerning covering of the Property. Eagle Marine hired ATC Environmental as a consultant to prepare the necessary plans to implement the plan to cover the Property. ATC submitted a draft work plan to IEPA in October 1997 and a Work Plan for Filling the Northern Portion of the Former Sauget Refuse Disposal Site on December 5, 1997. Eagle Marine is awaiting final approval from IEPA so that it can implement the plan.

13. Eagle Marine applied for, and received, a permit from the U. S. Army Corps of Engineers (the Corps) to place rip rap along the entire shoreline of the Property. The Corps

issued Permit #1323 in 1987 for this project, and Eagle Marine completed the project by approximately 1993. The purpose of the project was to stabilize the structural integrity of the shoreline and prevent soil erosion into the Mississippi River. Eagle Marine covered approximately 2,600 feet of shoreline with rip rap. This project addressed one of the primary concerns of EPA and IEPA with Area 2, which is the potential soil erosion into the Mississippi River.

14. Eagle Marine granted EPA and IEPA access to the Property in 1994 to investigate the alleged exposure of drums on the Property which resulted from flooding in 1993 and/or 1994, and responded to all EPA and IEPA inquiries in connection with the investigation.

15. Eagle Marine and Riverport were innocent purchasers of the Property, and therefore, are exempt from liability under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §9607 et seq., based upon the following facts:

(a) During negotiations for the purchase of the Property by Riverport and Eagle Marine, Fred Leyhe, deceased, the chief negotiator for Riverport, made all appropriate inquiry of The Cahokia Trust and Sauget and Company concerning materials disposed on the Property. Fred Leyhe asked for all information concerning the identity, type and volume of materials disposed on the Property. Fred Leyhe was informed by Paul Sauget and Donald C. Elsaesser, Trustee of The Cahokia Trust, that the Property had been used solely as a sanitary landfill, to accept materials such as household waste.

(b) Eagle Marine and Riverport have taken action to prevent releases from the Site, through their efforts to cover the exposed portion of the Site, which are discussed above,

and through their cooperation with EPA and IEPA to allow those agencies to conduct environmental investigations of the Property to assure there has been no release of hazardous substances from the Property.

(c) After Riverport and Eagle Marine purchased the Property, The Cahokia Trust, by Donald C. Elsaesser, Trustee, provided Paul Sauget with a 30-day cancellation notice, dated April 4, 1973, which prohibited further use of the Property as a landfill. A copy of the letter is attached hereto as Exhibit C.

(d) After the cancellation notice was issued, Eagle Marine and Riverport were informed that Paul Sauget and Sauget and Company might possibly have trespassed upon the Property and deposited additional waste materials on the Property. Eagle Marine does not know whether such materials were, in fact, deposited on the Property, or whether the materials, if deposited, contained hazardous wastes, hazardous substances or toxic substances. Nevertheless, out of an abundance of caution, Eagle Marine and Riverport provided a notice dated June 15, 1973 to Paul Sauget of Sauget and Company, demanding that any such depositing of waste materials cease immediately. A copy of that notice is attached hereto as Exhibit D.

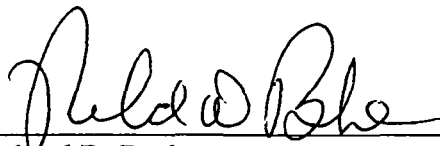
(e) Between April and June 15, 1973, neither Eagle Marine nor Riverport nor their officers, directors or shareholders were present on the Property to observe any alleged depositing of waste materials nor do they know whether such activities actually occurred.

16. Assuming, as EPA alleges, that drums of PCB-containing materials were uncovered by the flood of 1993 and/or 1994, that event is an Act of God, and costs allegedly incurred by EPA and IEPA to address the impact of the flooding are exempt from CERCLA

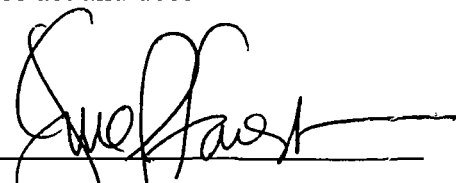
liability pursuant to 42 U.S.C. §9607(b). Neither Eagle Marine nor Riverport nor any other person or entity, to my knowledge, contributed to the alleged uncovering of drums.

17. Eagle Marine has been informed that EPA believes that the drums of PCB-containing materials were crushed by some form of earthmoving equipment, and the contents of the drums spread in the surrounding soil during late 1994 or early 1995. To the best of my knowledge, neither I nor any other employee or officer of Eagle Marine knows the identity of the person or persons who performed such acts, assuming the acts occurred. To the best of my knowledge, no employee or officer of Eagle Marine participated in, had knowledge of, or authorized the crushing and spreading of the contents of the drums.

Further Affiant Sayeth Naught.


Richard D. Burke

On this 16th day of February, 1998, before me personally appeared, Richard D. Burke, to me known to be the person described herein and who executed the foregoing Affidavit, and acknowledged that he executed the same as his free act and deed.


Notary Public

My Commission Expires:

11/19/99

Gina P. Faust
Notary Public, State of Missouri
County of St. Louis
My Commission Expires 11/19/99

BAKER & SCRIVNER
ATTORNEYS-AT-LAW

July 11, 1980

Mr. Dick Burke
Eagle Marine Industries, Inc.
Suite 1754
112 North Fourth Street
St. Louis, Missouri 63102

Dear Mr. Burke:

I am advised that The Pillsbury Company has made a claim against someone as the result of finding a buried barrel during excavation on the premises it leases from you which you acquired from the Cahokia Trust several years ago and which are located in the Village of Sauget, St. Clair County, Illinois.

As you know, I have, for 10 years last past, represented Sauget & Co., a Delaware corporation. For at least 20 years prior to the time you acquired the property, it operated thereon a sanitary land fill.

It did not knowingly accept barrels containing any toxic, flammable or other hazardous material and it took reasonable steps to prevent any such barrels from being deposited without its knowledge.

Very truly yours,


HAROLD G. BAKER, JR.

HGBjr/mcm

cc: Hon. Paul Sauget



STATE OF ILLINOIS)
) SS
COUNTY OF ST. CLAIR)

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BEFORE THE ILLINOIS POLLUTION CONTROL BOARD JUL 3 - 1984

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY,)

Complainant,)

V.)

PAUL SAUGET, individually, SAUGET AND)
COMPANY, a Delaware corporation, EAGLE)
MARINE INDUSTRIES, INC., a Missouri)
corporation, and RIVER PORT FLEETING)
INC., a Missouri corporation,)

Respondents.)

POLLUTION CONTROL BOARD

PCB 77-84

STIPULATION, STATEMENT OF FACTS AND
PROPOSAL FOR SETTLEMENT

For purposes of settlement only, Respondents, PAUL SAUGET and SAUGET AND COMPANY, a Delaware corporation, by their attorney HAROLD G. BAKER, JR., and the Complainant, ENVIRONMENTAL PROTECTION AGENCY (hereinafter the "Agency"), by its attorney, WILLIAM J. SCOTT, Attorney General of the State of Illinois, do hereby stipulate and agree that the statement of facts contained herein represents a fair summary of the evidence and testimony which would be introduced by the parties if a hearing were held. The parties further stipulate that the Statement of Facts is made and agreed upon for the purpose of settlement only and that neither the fact that a party has entered into this Stipulation, nor any of the facts stipulated herein, shall be introduced into evidence in this or any other proceeding unless the Illinois Pollution Control Board (hereinafter the "Board") approves and disposes of this matter on each and every one of the terms and conditions of settlement set forth herein. This document is admissible only

EXHIBIT B

(1)



for the purposes of this cause and may not be used in any other proceeding between any of these parties and others. None of the matters covered herein may be construed as facts or admissions of fact or admissions against interest for any purpose other than this proceeding.

STATEMENT OF FACTS

1. PAUL SAUGET, one of the Respondents, is an officer and the principal owner of SAUGET AND COMPANY, a Delaware corporation.
2. SAUGET AND COMPANY, one of the Respondents, is a corporation organized under the laws of the State of Delaware and, at all pertinent times until November 15, 1973, was authorized to transact business in the State of Illinois.

3. Beginning in the fall of 1959 and continuing each and every day to on or about April 26, 1973, SAUGET AND COMPANY operated a refuse disposal site located in Township 2 North, Range 10 West of the 3rd Principal Meridian, Centerville Township, St. Clair County, Illinois.

The refuse disposal site consists of two (2) parts which are separated by the right-of-way of the Alton & Southern Railroad.

The part of the refuse disposal site north of the Railroad is bounded on the south by the Railroad; on the west by a line parallel to, and approximately 300 feet easterly of, the Mississippi River; on the north by Riverview Avenue; and on the ^{East} ~~west~~ by the levee; all excluding the landfill of Monsanto Company and the fly-ash pond of Union Electric Company.

The part of the refuse disposal site south of the Railroad is bounded on the north by the Railroad; on the east by the levee; on the south by Red House Road; and on the west by a road (shown on Respondents' Exhibit No. 2) which is generally parallel to, and 1200 feet easterly of, the Mississippi River; all excluding an area at the southeastern most corner of such part, which area has an approximate width (measured perpendicularly to the levee) of 500 feet and an approximate length (measured parallel to the levee) of 1200 feet.

4. EAGLE MARINE INDUSTRIES, INC., one of the Respondents, is a corporation organized under the laws of the State of Missouri and presently owns a portion of said refuse disposal site formerly operated by Respondent SAUGET AND COMPANY. RIVER PORT FLEETING, INC., one of the Respondents, is a corporation organized under the laws of the State of Missouri and presently owns a portion of said refuse disposal site formerly operated by Respondent SAUGET AND COMPANY. On February 24, 1978, a motion to dismiss without prejudice was filed by the Agency with the Board regarding the Respondents EAGLE MARINE INDUSTRIES, INC. and RIVER PORT FLEETING, INC., based upon a Stipulation entered into by the Agency with said Respondents.

5. Respondent PAUL SAUGET and Respondent SAUGET AND COMPANY (hereinafter "said Respondents") have failed to place a final suitable cover of at least two (2) feet of suitable material over the entire surface of all completed portions of the refuse disposal site described in paragraph 3, although cover which said Respondents believed to be acceptable or suitable, or both, has been placed


on the site, despite notices from EPA to the contrary. Said final cover should have been placed upon the site prior to October 26, 1973.

6. The parties hereby agree that the Hearing Officer may instanter enter an order that the record of a prior proceeding (PCB 71-29) involving said Respondents shall be incorporated, pursuant to Board's Procedural Rule 320(c), into the record of this proceeding.

7. In PCB 71-29, Respondent PAUL SAUGET testified that he had been given permission from the Director of the Illinois Department of Public Health to use cinders as a cover material (R. 157 and 175) and this testimony was accepted by the Board. Therefore, cinders used by said Respondents as a cover material prior to the decision of the Board in PCB 71-29 on May 26, 1971 are accepted as cover material for the purposes of this stipulation but not for that portion of the refuse disposal site operated after May 26, 1971. Furthermore, cinders shall not hereafter be used by said Respondents in complying with the provisions hereof.

8. In said Respondents' refuse disposal site, refuse was deposited commencing in the northern portion of the site in 1959 and continuing thereafter in a southerly direction.

9. The parties agree that the 1966 operating face shall be deemed to have been a straight line perpendicular to the levee running along the road at the south end of Union Electric's fly-ash pond (as shown in said Respondents' Exhibit No. 1).



10. The parties also agree that the 1971 operating shall be deemed to have been a straight line parallel to, and 1200 feet southerly of, said 1966 operating face (as shown in said Respondents' Exhibit No. 2).

PROPOSED TERMS OF SETTLEMENT

A. As a result of the settlement discussions had and the control programs agreed to hereinafter, and partially heretofore implemented by said Respondents, the parties believe the public interest will be best served by the resolution of this enforcement action under the terms and conditions provided herein. In accordance with the procedure for settlement prescribed in Board's Procedural Rule 331, the parties offer this Stipulation, Statement of Facts and Proposed Terms of Settlement in lieu of a full evidentiary hearing.

B. This stipulation is expressly conditioned upon, and effective only with, approval hereof in all respects by the Board. All statements and agreements contained herein shall be null and void and of no effect and shall not be used in any further proceeding in the event that the Board fails to approve these Terms of Settlement in all respects.

C. Respondents, PAUL SAUGET and SAUGET AND COMPANY, admit the allegations contained in paragraph 15 of Count V of the Amended Complaint, in that each of them, since October 26, 1973, has failed to place a compacted layer of at least two (2) feet of suitable material over the entire portion of the refuse disposal site

heretofore operated by them. As stated in paragraph 5 hereof, they do not necessarily admit, however, that final cover has not been placed upon the refuse disposal site, there having heretofore been disputes concerning the depth or the suitability, or both, of the final cover.

D. Said Respondents agree to place two (2) feet of suitable cover material on said site in accordance with Rule 5.07(b) of the Rules and Regulations for Refuse Disposal Sites and Facilities (promulgated in 1966 by the Illinois Department of Public Health) as follows:

(1.) From the 1966 operating face through the 1971 operating face of the refuse disposal site, said Respondents agree to place suitable cover over the site, where necessary, to bring the total final cover to a depth of two (2) feet; cinders already in place used as a cover material north of the 1971 operating face of the site being acceptable as suitable cover material between the 1966 and 1971 operating faces of the site;

(2.) South of the 1971 operating face, said Respondents agree to place suitable cover material over the site, where necessary, to bring the total of final suitable cover to a depth of two (2) feet, excluding cinders already in place;

(3.) Such additional cover shall be placed on the site starting with that part south of the 1971 operating face;

(4.) Subject to extensions of time which may be granted under the provisions of paragraph G hereof, such final cover shall be placed over 20% of the site during each six (6) month period after the date upon which the Board enters an Order approving this settlement and such work on all parts of the site shall be completed within thirty (30) months of the date that the Board enters such Order.

E. The final cover used by Respondents during the month of May, 1978 and sampled by the Agency is satisfactory and acceptable to the Agency. In the event that Respondents hereafter change the type of final cover from that used in May, 1978 and sampled by the Agency, said Respondents shall notify Agency and cooperate

with it in taking samples of the proposed new type of final cov

F. Except as hereinbefore specified, the final cover to be used by the Respondents must be "suitable." Neither the Board nor the Agency has heretofore officially adopted any definition of "suitable" cover. The Agency proposes to the Board that it adopt the definition attached hereto, marked Exhibit A and, by this reference, ²incorporated herein and made a part hereof. Respondents have not seen such definition until the date of the hearing at which this Stipulation is filed and, for that reason and others, do not approve, disapprove or agree to such definition. Respondents' final suitable cover hereafter used shall conform to such definition, if it be approved and adopted by the Board, subject to said Respondents' rights to seek a variance or variances from such definition.

G. Said Respondents' obligation to meet any time requirements set out herein shall be extended as the result of an act of God or by a circumstance beyond said Respondents' control or by the owners' use of the site in violation of the provisions of their Stipulation or by any other circumstance agreed to by the parties. Prompt written notice of the claimed applicability of this provision must be given to Agency by said Respondents, or either of them, or a claim for extension based upon a given set of facts is waived. Should the parties fail to agree on what circumstances shall excuse a delay in the performance or on the period of extension due, Respondents may submit the matter to the Board of resolution after a hearing which may be called or requested by either the Agency or the Respondents, or both, in accordance with Board Procedural

Rule 334(b)(1). Any such hearing must be requested within (30) months of the date upon which the Board enters an Order of this settlement, plus any extensions requested by the Respondent and granted by the Agency or the Board under the provisions of this paragraph G.

H. Said Respondents agree to file with the Agency a performance bond in the penal sum of \$125,000.00.

I. Said Respondents, jointly and severally, agree to pay a civil penalty of \$5000 in the aggregate. According to the Agency such a penalty is necessary to aid in the enforcement of the Act in view of the prior decision of the Board regarding said Respondents in PCB 71-29 and in view of the previous notice given to said Respondents regarding the violation of the Act cited in paragraph 15 of Count V of the Amended Complaint and in view of the amount of time that has elapsed since the date that final cover was due. Said penalty shall be payable in two (2) monthly installments of \$2,500.00 per month on the thirtieth (30th) and sixteenth (60th) calendar days after the date upon which the Board enters an Order approving this settlement.

I. All other allegations of the Complaint and the Amended Complaint, as they pertain to said Respondents, shall be dismissed with prejudice to the Agency.

ILLINOIS ENVIRONMENTAL PROTECTION AGENCY
Complainant

By: Mike Marz by D
Its Director

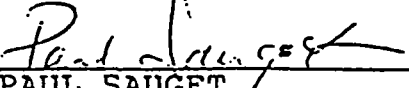
WILLIAM J. SCOTT, Attorney General

By: _____
Assistant Attorney General
ATTORNEY FOR COMPLAINANT

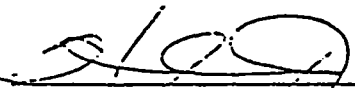


PAUL SAUGET
One of the Respondents

SAUGET AND COMPANY
One of the Respondents

By: 

PAUL SAUGET
Its President



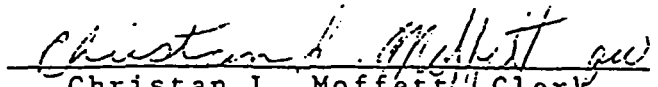
HAROLD G. BAKER, JR.
56 South 65th Street
Belleville, Illinois 62223
(618) 397-6444
ATTORNEY FOR SAID RESPONDENTS

The term "suitable material" as found in Illinois Pollution Control Board Solid Waste Rules and Regulations, Chapter 7, Rule 305: Cover shall have the following definition: naturally occurring soils which allow minimal surface water infiltration, which are compactable, which will promote plant growth, and which have a low permeability, or, such other material as approved by the Environmental Protection Agency.


EXHIBIT A

CERTIFICATION

I, Christan L. Moffett, Clerk of the Illinois Pollution Control Board, do hereby certify that the attached is a true and correct copy of the Stipulation, Statement of Facts, and Proposal for Settlement submitted to the IPCB on June 24, 1978 and adopted by the Board on August 24, 1978 in the matter of PCB 77-84 by the Illinois Environmental Protection Agency, Complainant and Paul Sauget, individual, Sauget and Company, Respondent.


Christan L. Moffett, Clerk
Illinois Pollution Control Board

SUBSCRIBED AND SWORN TO before
me this 9th day of January,
1981.



Notary Public

My Commission Expires

11/4/81

CAHOKIA TRUST PROPERTIES

(Mississippi River Industrial Sites)

Cahokia, Illinois and Monsanto, Illinois

~~8201 MARYLAND AVENUE~~ • ST. LOUIS, MISSOURI 63105 • ~~PA-1-6000~~
135 No. Meramec Avenue 863-5005

April 4, 1973

Mr. Paul Sauget
Sauget and Company
2902 Monsanto Avenue
Sauget, Illinois 62206

Dear Mr. Sauget:

This is to officially advise you that on Monday, April 2, 1973 the Trustees of Cahokia Trust officially closed the sales on Tract #4 (165.143 acres) and Tract #5 (635.868 acres) of the Cahokia Trust properties of which you are thoroughly familiar.

On Tract #4 the Trustee's Deed was delivered to Fred H. Leyhe.

On Tract #5 the Trustee's Deed was delivered to Notre Dame Fleeting & Towing Service, Inc. The sales were closed at Chicago Title Insurance Company in Belleville and the Deeds were duly recorded.

In accordance with the letter agreement dated July 14, 1972 by and between Trustees of the Cahokia Trust and Sauget and Company we are hereby giving you the 30 day cancellation notice required as per the last paragraph of this agreement, "The rental of said land site will be on a month to month basis and will be subject to a 30 day cancellation notice in event said property is sold".

As you recall on Monday, January 22, 1973, I brought Mr. Fred Leyhe and Mr. Dick Burke, both officers of Notre Dame Fleeting & Towing Service, Inc. to your office in Sauget Village for the purpose of meeting each other. We advised you at the time that both Tracts #4 and #5 were scheduled to close on April 2, 1973. We also went over with you the new surveys of both tracts that were completed in January by Elbring Surveying Co.

Mr. Fred Leyhe will be calling you in the near future to discuss with you any future plans on both parcels.

Enclosed is a copy of the agreement referred to above and dated July 14, 1972. Mr. Fred Leyhe's phone # is GA1-3575 and his address is:

Mr. Fred H. Leyhe, President
Notre Dame Fleeting & Towing Service, Inc.
Suite 1252
112 N. Fourth Street
St. Louis, Missouri 63102

EXHIBIT

C

June 15, 1973

Mr. Paul Sauget
c/o Sauget City Hall
Sauget, Illinois 62201

"Personal and Confidential"

In re: Sauget Landfill
Fred Leyhe - Notre Dame Fleeting & Towing, Inc.

Dear Mr. Sauget:

We wish to advise that this office represents Mr. Fred Leyhe and the Notre Dame Fleeting & Towing, Inc. Mr. Leyhe is now the present owner of Tract 4 and 5 which are noted on the enclosed plat. It is our understanding that you are operating a landfill on Tract 4 at the present time even though the property is not owned by you. Mr. Leyhe has indicated to me that there is no agreement at the present time between your company and his that would permit dumping on Tract 4. It is our further understanding that dumping is continuing on Tract 4 at the present time without the permission of Mr. Leyhe or any officer of his company.

Further, we have been informed by the Environmental Protection Agency that the type of dumping that is being performed is violative of several of their standards. Therefore, please consider this letter our notice to you to cease immediately all of your landfill operations on the property owned by my client.

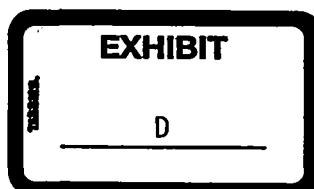
If you have any questions or wish to discuss the matter in more detail, please contact me.

Very truly yours,

Frank L. Pellegrini

FLP/gb

Enclosure



SITE Q

Case: ENVIRONMENTAL PROTECTION AGENCY v. PAUL SAUGET, individually,
and SAUGET AND COMPANY, a Delaware Corporation.

File #: 3602

By: Don Means

I. DESCRIPTION OF FACILITY

The facility which is the subject of this enforcement action is a refuse disposal site located near the Mississippi River in St. Clair County, Illinois (pp. 1, 11). The site is located in Centreville Township (T2N, R10W of the 3rd principal meridian) and lies partly within the limits of the Village of Sauget (p. 1).

The total area of the site is approximately thirty-five acres (p. 24).

Immediately to the west of the site is the Mississippi River (p. 1).

A Union Electric power plant is located to the north of the site (reference: information provided by Pat McCarthy). Also to the north of the site is a dumping site for toxic chemicals operated by the Monsanto Company (reference: information provided by Pat McCarthy).

The tracks of the Alton and Southern Railroad intersect the site from northeast to southwest (p. 1). To the east of the site is the levee and Gulf Mobile and Ohio railroad tracks (p. 1). This site had begun operation by at least 1967 (p. 3). The site accepted general refuse (p. 8). Cinders were used as cover (pp. 230, 272). The site was totally inundated by flood waters from the Mississippi in the spring of 1973 (pp. 134-139).

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Page 2

That portion of the site south of the Alton and Southern tracks was not operated after the flood (p. 260). The northern portion was permanently closed some time after August 21, 1974 (p. 284). The site currently is not in operation, nor has it received adequate final cover (p. 302). In September, 1976, a fire occurred at the site, and refuse smoldered underground for at least two weeks (pp. 301-314).

During most of the time of the operation of this site, the land was owned by Cahokia Trust Properties of Cahokia, Illinois (p. 55). On April 2, 1973, the property was sold to Notre Dame Fleeting and Towing Service, Inc., which later was merged into Eagle Marine Industries (pp. 43, 55). Eagle Marine was probably instrumental in the cessation of the unpermitted operation of this site (pp. 112, 113, 285).

The operation of the site was conducted by Sauget and Company (Sauget). Sauget is a Delaware corporation which until November 15, 1973 was authorized to do business in the State of Illinois (pp. 57 and 58). On November 15, 1973, the Secretary of State of the State of Illinois revoked the authority of Sauget to transact business in Illinois for failure to file its annual report and pay its annual franchise tax (pp. 57 and 58). Since November 15, 1973, Sauget has been doing business in Illinois without a Certificate of Authority. Paul Sauget is an officer of Sauget and Company and a principal owner (reference: information provided by Pat McCarthy). Because of his personal involvement in the operation of this facility, he should be named as an individual respondent.

II. DESCRIPTION OF POLLUTION SOURCE

The primary cause of pollution at this facility is the lack of adequate final cover. All refuse has not received at least two feet of cover as required by Rule 305(c) of Chapter 7. Additionally, the cover which has been applied is not a suitable material. Cinders have been used as cover instead of well-compacted clay or earth. As a consequence, three sorts of pollution occur:

1. Surface water infiltrates the refuse, causing the generation of leachate which migrates into the groundwater and hence into the Mississippi River.

2. When the Mississippi River is up, as in the spring of 1973, refuse is carried into the River.

3. Surface fires, such as the one which occurred in September of 1976, ignite underground refuse, causing a smouldering, smoky fire which is very difficult to extinguish.

III. PREVIOUS AGENCY INVOLVEMENT

The site was registered with the ~~Department~~ of Public Health on March 6, 1967 (pp. 3-5). An application for a permit was submitted to the Agency on February 7, 1972 (pp. 6-11). The application was denied on March 9, 1972 (p. 12). Another application was made on July 3, 1972 (pp. 13-28). This application was denied on August 7, 1972 (pp. 29-33). A request to reactivate the application and supplemental material were submitted to the Agency on August 1, 1974 (pp. 41-48). The application was again denied on September 16, 1974 (pp. 51-53). No further attempts to obtain a permit have been made.

Sauget was ordered by the Pollution Control Board on May 26, 1971 to pay a penalty of \$1,000 for violations in operations on a portion of the facility (PCB 71-29). Sauget was also ordered at that time to cease using cinders for cover.

The Agency has sent many letters to Sauget since it began inspecting the facility which included notification of violations observed at the site. Since April 26, 1972 many letters have advised Sauget of its failure to provide adequate final cover in required areas (pp. 60-119).

Agency personnel have spoken to Paul Sauget on several instances (pp. 112, 134, 135, 141, 290, 301, 310). On January 21, 1975, he orally agreed to the need for final cover at the site and indicated his intent to provide it (p. 290). On September 8, 1976, and September 15, 1976, he acknowledged his responsibility for the fire then burning on the site and stated that he would take corrective action (pp. 301-310).

IV. VIOLATIONS

1. (a) Chapter 7 - Rule 305(c) provides that a compacted layer of not less than two feet of suitable material shall be placed over completed portions of a landfill, not later than sixty (60) days following the final placement of refuse.

(b) Proof - Disposal operations were discontinued at the site some time before January 21, 1975 (p. 289). Under Rule 305(c), completion of final cover was required over the entire site before March 22, 1975. However, Agency inspections reveal that final cover is not yet complete (p. 311). Final cover was required even earlier

on specific areas of the site where dumping had ceased earlier (e.g., p. 140). In other words, the site has been in violation of Rule 305(c) for years. On March 8, 1974, an inspection of the site was conducted for the purpose of determining how much final cover was in place at the site (pp. 271-275). The inspection disclosed that cover varied in depth from 4" to 12" and consisted entirely of cinders (p. 272). Five photographs verify these findings (pp. 273-275). A similar inspection was conducted on January 26, 1976 (pp. 292-300). This inspection disclosed that the southern portion of the site had cover of dirt rather than cinders, but that it was only two to three inches in depth (p. 293). It also disclosed that conditions on the northern portion were similar or identical to those observed on March 8, 1974 (p. 293). Also, much refuse was observed with no cover (p. 293). Photographs were also taken during this inspection (pp. 296-300). The site was visited most recently on September 27, 1976, at which time it had not yet received adequate final cover (p. 314).

(c) Dates - From on or before March 22, 1975, to the filing of the complaint, final cover has been required over the entire site, and from even earlier on portions of the site (see proof, above).

2. (a) Chapter 3 - Rule 203(a) provides that all waters of the State shall be free from unnatural bottom deposits, oil, and floating debris, and Section 2(a) of the Environmental Protection Act provides in relevant part that no person shall cause or threaten or allow the discharge of any contaminants into the environment so as to violate regulations adopted by the Board.

(b) Proof - In the spring of 1973, the Mississippi River rose and inundated the subject site (pp. 134-228). All refuse previously deposited which had not received cover then became either a bottom deposit or floating debris in the Mississippi River. Also during this time Saugat caused refuse to be dumped into the water on the site (pp. 140, 141, 144, 146, 204, 208, 209, 235). Receding flood waters carried refuse off the site and into the main channel of the Mississippi (pp. 199, 202, 213, 223A). Refuse from the site was observed to have been carried at least two miles downstream (pp. 147-148). Many photographs were taken during this period which show debris in the water (pp. 153-175, 178-187, 189-192, 195-198, 200-202, 205-207, 214-222, 224-226, 228, 232-234). The violation of Rule 203(a) of Chapter 3 is also a violation of Section 12(a) of the Act.

(c) Dates - The initial observation of the site during the period of the flood occurred on March 26, 1973 (pp. 134, 140). Flood conditions persisted through at least May 11, 1973 (pp. 227-228) and refuse was observed in water until at least October 17, 1973 (p. 243).

3. (a) Section 12(d) of the Act provides that no person shall deposit any contaminants upon the land in such place and manner so as to create a water pollution hazard.

(b) Proof - See proof of violation of Rule 203(a) of Chapter 3 above. Also, because of the inadequacy of final cover, there is a great hazard that Leachate will be generated and will migrate into the

groundwater and into the Mississippi (see proof of violation of Rule 305(c) of Chapter 7, above).

(c) Dates - All refuse placed at this site from the effective date of the Act, July 1, 1970, until the cessation of dumping some time after August 21, 1974, was deposited in such place and manner so as to create a water pollution hazard.

4. (a) Section 9(c) of the Act provides that no person shall cause or allow the open burning of refuse.

(b) Proof - On September 8, 1976, a fire was observed on the subject site (pp. 301, 311). It had started at the north end of the site in some piles of openly dumped demolition refuse and had spread across the vegetation growing in the thin cover over the northern portion of the site (p. 311). The fire on the surface ignited the refuse underground, due in part to refuse protruding through the thin cover and in part to rat holes on this area of the site (p. 311). The site was again observed on September 9, 1976, and was still burning (pp. 302-303). Several photographs taken on September 9, 1976 show evidence of burning (pp. 304-309). The site was visited again on September 15, 1976, and on September 27, 1976, and found to be burning each time (pp. 310-314).

(c) Dates - Open burning of refuse occurred at the site from on or before September 8, 1976, until at least September 27, 1976 (pp. 301, 314).

V. AVAILABLE TECHNICAL SOLUTIONS

The best solution to the pollution problems presented by this

Page 8

Two feet of well-compacted, relatively impermeable earthen material will protect the refuse from encroaching flood waters. Observation of the site during the 1973 flood indicated that refuse which had been covered was much less likely to be washed out and carried into the channel of the Mississippi. Also proper cover will inhibit the formation of leachate and the ignition of underground refuse by surface fires.

The only technological difficulty that might arise at this facility is extinguishing an underground fire should it be found that such a fire continues to burn there. If so, the smoldering refuse will have to be excavated and dragged through water to ensure that the fire is totally extinguished.

The cost of these solutions is likely to be quite high, particularly in light of the shortage of cover material on the site. The field staff estimates that approximately 100,000 cubic yards of earthen material will be needed to properly cover the site pursuant to Rule 305(c) of Chapter 7. It is estimated (conservatively) that \$2.00 per cubic yard would be necessary to haul in earthen material, bringing the cost of covering to about \$200,000. In addition, the Agency will probably request that monitoring wells be installed in certain areas.

VI. WITNESS LIST

1. Pat McCarthy
Division of Land Pollution Control
Field Operations Section
Collinsville, Illinois

7936000607

2. Kenneth Mensing
Division of Land Pollution Control
Field Operations Section
Collinsville, Illinois
3. Bill Child
Division of Land Pollution Control
Field Operations Section
Aurora, Illinois
4. Andy Vollmer
Division of Land Pollution Control
Springfield, Illinois
5. Michael G. Neumann
Division of Water Pollution Control
6. James Kammüller
Division of Water Pollution Control
7. Donald Chrismore
St. Louis District
U.S. Army Corps of Engineers
8. Louis Benzek
St. Louis District
U.S. Army Corps of Engineers

(Reference may be made to pages 315-323 for qualifications of Agency witnesses).

VII. RELIEF

1. The pleadings should request the maximum penalty under Section 42 of the Act. In the event of a settlement, a penalty in the range of \$5,000-\$10,000 should be sought.

2. The Board should be requested to order that Sauget cease and desist from all violations within 60 days of the date of the Board's Order. A performance bond in the amount of \$200,000 should be obtained to ensure compliance with the Order.